

U.S. Environmental Protection Agency

Washington, D.C.

February 10, 2014

MEETING WITH LEADERSHIP FROM AMERICAN WATER

DATE: February 11, 2014

LOCATION: EPA Headquarters

WJC- North

Room 3412

MEETING TIME: 2:00pm-3:00pm

CONTACT: Brian Bond (202-604-0045)

I. Purpose

American Water is a company that works on delivering high-quality water and wastewater services to consumers. American Water has been around for more than 125 years, and it's the parent company to 15 state subsidiaries. Today, this company serves approximately 14 million people in more than 30 states, as well as parts of Canada.

American Waters' President and CEO, Jeff Sterba other senior leadership will be in DC to meet with government and and Administration officials in regards to the West Virginia Chemical Spill. Broderick Johnson, who was recently named assistant to the President and Cabinet Affairs Secretary requested this group meet with EPA senior leadership. This meeting will discuss the recent chemical spill in West Virginia. This group would like to discuss EPA's reaction to the spill and hear what EPA is doing to assist affected communities.

Recently, the American Waters office in West Virginia testified during a congressional field hearing on the Freedom Industries Chemical Spill. This group wants to meet with you to discuss their testimony, and provide update on their national work. There may be long term opportunity to engage with this group around EPA water priorities. This meeting can also serve as an opportunity for **YOU** to discuss EPA's upcoming "waters of the United States" rollout.

II. Agenda

There is no formal agenda for this meeting. Jeffery Sterba (President and CEO) will open the meeting and give a brief overview of their current work and the chemical spill in West Virginia.

III. Participants

- **YOU**
- Jeffery Sterba, American Water, President and CEO
- Kellye Walker, American Water, Chief Administrative Office and General Counsel
- Dr. Mark LeChevallier, American Water, Director of Innovation and Environmental Stewardship
- Jeanette Pablo

Staff

- Shawn Garvin, Region 3 Administrator
- Laura Vaught, OA
- Brian Bond, OA
- Ellen Gilinsky, OW
- Mike D'Andrea, Region 3

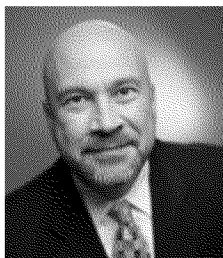
IV. Press

Closed Press

V. Attachments

- Key Participant Biographies
- Background information

Key Participants



Jeff Sterba, President and CEO

Jeff Sterba is President and CEO of American Water, the largest publicly traded U.S. water and wastewater utility company. Mr. Sterba has over 30 years of utility experience. Mr. Sterba leads a team of approximately 6,700. Prior to joining American Water on August 16, 2010, Mr. Sterba served as Chairman and CEO of PNM Resources, Inc., the parent company of PNM, Texas-New Mexico Power Company (TNMP) and First Choice Power, from 2000 until March 2010. He also previously served as Non-Executive Chairman of PNM Resources. Since joining PNM in 1977, he held a succession of positions including Executive Vice President & Chief Operating Officer, Senior Vice President Bulk Power Services, Senior Vice President Asset Restructuring, Senior Vice President Retail Electric & Water Services and Vice President Revenue Management. From 1998 to 2000, Mr. Sterba was Executive Vice President of United States Enrichment Corporation (USEC), a global energy company headquartered in Maryland



Kellye Walker, Chief Administrative Office and General Counsel

Kellye Walker is chief administrative officer and general counsel of American Water, the largest publicly traded U.S. water and wastewater utility company. Her position was expanded in September 2010 from her previous role as senior vice president, general counsel and secretary. In this role, Ms. Walker oversees and provides strategic direction for American Water's Human Resources, Communications and Information Technology Services departments. In addition, she serves as the chief legal officer of American Water, providing oversight, guidance and direction regarding legal advice on all matters, and oversees its team of attorneys responsible for all aspects of American Water's legal affairs, as well as corporate governance and board matters.

Prior to joining American Water in January 2010, Ms. Walker served as senior vice president and general counsel at Diageo North America, Inc., where she was responsible for all corporate and commercial legal matters including mergers and acquisitions, human resources and labor relations, procurement and regulatory compliance

OGWDW Collaboration with American Water:

- American Water has been engaged with the Office of Water on critical drinking water regulatory issues for over fifteen years.
- Specifically, Mark LeChevallier has spent extensive time working with OGWDW on drinking water issue that related to the development of the Surface Water Treatment Rules (LT1, LT2), the Disinfection Byproduct Rules (Stage 1 & Stage 2 DBPs), and the recently Revised Total Coliform Rule.
- In addition, Matt Corson worked extensively with OGWDW on the Retrospective Review of the Consumer Confidence Rule that lead to the interpretation that utilities could share their Consumer Confidence report electronically. Matt Corson has helped OGWDW in identifying best practices for electronic delivery that he has implemented at American Water utilities across the country.

General Observations Regarding the West VA Spill:

- ***Water Quality Surveillance and Response Systems:***
 - While this particular incident was discovered near the site of the spill due to the odor in the air, we think it also demonstrates that value of deploying an SRS.
 - If the chemical mixture did not contain an odorant, it's unlikely that it would have been detected before entering the distribution system.
 - Once in the system, it would be up to the utility or health department to

detect the problem and respond quickly to minimize consequences.

- The fact that the utility was able to respond quickly indicates that it had plans in place to deal with distribution system contamination.
- This reinforces the emphasis we place on consequence management planning.

- ***Analytical Methods:***

- There are no environmental matrix analytical methods for MCHM , PPh and Di-PPh.
- The “DuPont method” that was used to analyze water samples in the days immediately following the incident for MCHM was quickly developed based upon a non-quantitative percent purity method provided by Eastman, the manufacturer of MCHM.
- As far as we know, the analytical methods that have been used throughout the response have not undergone the simplified validation process EPA would employ for emergency response methods.
- Any emergency response method EPA plans to continue to use throughout response, remediation and recovery should undergo a simplified validation process that has been adopted by all Integrated Consortium of Laboratory Networks (ICLN) members.
- Additionally, it might be prudent for EPA to provide guidance and training to the wider laboratory community regarding what we consider to be a minimally validated emergency response method.
- Beyond the immediate response, there may be additional methods needed to identify decomposition and disinfection products of the spilled chemicals (Crude MCHM, PPh and Di-PPh).
- These are necessarily longer term method development needs that would not play a role in emergency response.

- ***Health Effects:***

- The lack of toxicity data for MCHM presented a significant challenge in determining a remediation goal that would allow customers to resume use of the drinking water supply.
- CDC-ATSDR quickly came up with a health advisory level of 1 mg/L for MCHM which was based on the limited toxicity data that was available through the Material Safety Data Sheets.
- Within a few days CDC NIEHS was able to obtain more toxicity data and worked with EPA to reassess the health advisory level for MCHM.
- This reassessment was under way while the WVDEP was lifting the do not drink restrictions based on the monitoring data showing MCHM

below 1 mg/L.

- While the CDC reassessment supported the 1 mg/L health advisory level, CDC revised its advice to the public, particularly for pregnant women.
- Furthermore, it became evident that the water still carried an odor even after the threshold was met.
- These developments undermined customer confidence and EPA received reports that many residents refused to flush their plumbing systems and use the drinking water even after the use restriction was lifted.
- This series of missteps reinforces the need for authorities to have a high degree of confidence that the water is safe to use before lifting a use restriction.
- Furthermore, if aesthetic qualities are compromised, the public may be unwilling to use the water. Recent updates (1/27/14) indicate that now that flushing has successfully removed the contaminant from most of the system, more people are resuming use of the municipal water supply.

- ***Household Flushing:***

- WVAW came up with a protocol for flushing household plumbing and appliance that seemed reasonable, but it is unlikely that its efficacy had been tested and validated.
- The protocol failed to consider that the volatile components in the MCHM mixture would volatilize during the flushing process.
- During flushing, the accumulated volatile chemicals caused concern among residents, and some residents refused to flush for this reason.
- Furthermore, the utility did not instruct residents to drain hot water tanks, which would serve as a large reservoir of contaminated water.
- A more thorough flushing program would involve draining the household plumbing system, including the hot water heater and other reservoirs.
- However, it's uncertain whether or not this contaminant and this incident would have required the extra precaution of draining hot water tanks.
- It would be useful to develop and field test a residential plumbing protocol that could be shared with the sector.
- This is something that might be accomplished at NHSRC's water distribution test bed. Also, NIST published a report in 2009 evaluating decontamination of premise plumbing.
- The researchers found that many contaminants adhere to various plumbing materials and that hydraulic flushing alone was not able to

remove these adhered materials. However, we don't know whether or not the adhered contaminants pose a threat to public health.

- **OGWDW's Role During Response:**
 - The EPA water program was not actively engaged in the response.
 - American Water and the State took the lead, and performed well.
 - However, now that the system has been flushed and service has been restored to most residents, the State and the utility have indicated a willingness to work with EPA and other federal partners to discuss the incident and identify lessons learned that may inform the response to future contamination incidents.

- **Consumer Water Purification Systems (Point of Entry or Point of Use Systems).**
 - After customers lost confidence in the recovery process, due to the reasons noted above, many sought to use consumer water purification systems to remove the contaminant.
 - However, independent third party testing to certify these systems is limited to defined contaminants. Therefore there were no data available to establish whether or not these products could remove MCHM.